

ORDINANCE NO. _____, SERIES 2007

AN ORDINANCE OF THE METRO COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY AUTHORIZING AND DIRECTING THE JEFFERSON COUNTY, KENTUCKY CAPITAL PROJECTS CORPORATION, ACTING AS THE AGENCY AND INSTRUMENTALITY OF THE METRO GOVERNMENT, TO ISSUE ITS LEASE REVENUE REFUNDING BONDS, 2007 SERIES A IN PRINCIPAL AMOUNT OF \$66,000,000 (SUBJECT TO PLUS OR MINUS A 10% ADJUSTMENT AS TO PRINCIPAL AMOUNT UPON SALE THEREOF) FOR THE REFUNDING OF SOME OR ALL OF THE OUTSTANDING JEFFERSON COUNTY, KENTUCKY, CAPITAL PROJECTS CORPORATION LEASE REVENUE BONDS, SERIES 1997 TO ACHIEVE INTEREST COST SAVINGS AND] RESTRUCTURE DEBT SERVICE REQUIREMENTS; AUTHORIZING THE EXECUTION AND DELIVERY OF ANY NECESSARY MODIFICATIONS TO (i) AN EXISTING SUBLEASE AGREEMENT BETWEEN JEFFERSON COUNTY, KENTUCKY AND THE ADMINISTRATIVE OFFICE OF THE COURTS OF THE COMMONWEALTH OF KENTUCKY, (ii) A LEASE AGREEMENT BETWEEN THE METRO GOVERNMENT AND THE CORPORATION AND (iii) A MORTGAGE AND TRUST INDENTURE BETWEEN THE CORPORATION AND THE TRUSTEE SECURING THE 2007 SERIES A BONDS; CONFIRMING AND APPROVING THE SALE OF THE 2007 SERIES A BONDS TO THE PURCHASERS THEREOF; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT; APPROVING AN OFFICIAL STATEMENT AND OTHER MATTERS IN RESPECT OF THE 2007 SERIES A BONDS AND TAKING OTHER RELATED ACTIONS.

Sponsored by: Madonna Flood

WHEREAS, pursuant to legislation adopted by the General Assembly of Kentucky in 2000 and subsequent approval by the voters of both the County of Jefferson and the City of Louisville, Kentucky, the Louisville/Jefferson County Metro Government, Kentucky (the "Metro Government") came into legal existence on January 6, 2003, as a "consolidated local government", representing the combination of the former City of Louisville with the County of Jefferson, Kentucky (the "Predecessor County"); and

WHEREAS, the Metro Government is the governmental successor by operation of law to the County of Jefferson, Kentucky (the "Predecessor County") and, pursuant to law has mandatorily assumed all obligations of the Predecessor County and been vested with ownership of all property of the Predecessor County; and

WHEREAS, Jefferson County, Kentucky Capital Projects Corporation (the "Corporation"), a nonprofit, nonstock corporation, has been heretofore duly organized and created pursuant to and exists under Kentucky law to serve as the agency, instrumentality and constituted authority of and on behalf of the Predecessor County (now by operation of law the Metro Government), in the planning, development, acquisition and financing of public projects in furtherance of the proper public purposes of the Metro Government, as provided by Chapters 58 and 67C of the Kentucky Revised Statutes (the "Act"); and

WHEREAS, the Metro Government, acting by and through its Metro Council, has determined to authorize and direct the Corporation, acting for and on behalf of the Metro Government and as its agency, instrumentality and constituted authority, to issue, pursuant to the Act, the Corporation's Lease

Revenue Refunding Bonds, 2007 Series A, in the principal amount of \$66,000,000 (subject to plus or minus a 10% adjustment as to principal amount upon sale thereof) (the "2007 Series A Bonds") for the purpose of (i) refunding all or a portion of the Corporation's Lease Revenue Bonds, Series 1997 (the "Prior Bonds") the proceeds of which were used for the acquisition, development and construction of a public Justice Center and Courthouse (the "Prior Project"), which is subleased by the Predecessor County to and operated by the Administrative Office of the Courts of the Commonwealth of Kentucky ("AOC"), and (ii) paying the costs of issuance incurred with respect to the issuance of the 2007 Series A Bonds (the "Refunding Project"), which Prior Project and Refunding Project are more particularly described in the Lease Agreement and Mortgage and Trust Indenture, hereinafter identified; and

WHEREAS, the Metro Government has found and determined that it is necessary in the public interest that such refunding be carried out for the purposes of providing certain debt service savings, restructuring the debt service profile of the Prior Bonds to better synchronize such debt service with actual revenue receipts of the Metro Government and enabling funds to be made available for the construction and acquisition of additional public courts and justice and correction facilities (the "2007 Construction Project"); and

WHEREAS, the Metro Government has determined that it will, inter alia, (i) continue to sublease the public justice and courts facilities constituting the Prior Project to be refinanced by the Refunding Project and the site thereof from the Corporation on a year-to-year basis pursuant to a Lease Agreement, hereinafter identified, and will additionally lease in a similar manner the 2007 Construction Project and the site thereof, thereby providing to the Corporation adequate moneys to pay the 2007 Series A Bonds and interest thereon, (ii) continue to sublease the Prior Project and also lease the 2007 Construction Project to the Administrative Office of the Courts pursuant to the existing or modified sublease agreement and (iii) so long as any of the 2007 Series A Bonds remain outstanding and such Lease Agreement remains in effect, continuously cause the Prior Project and 2007 Construction Project to be operated, maintained, repaired, replaced and insured, exercising the same degree of service and care exercised by the Metro Government in respect of other like public facilities owned and operated by the Metro Government; and

WHEREAS, the payment of maturing principal of and interest on the 2007 Series A Bonds shall be provided for through rental payments; and the Metro Government may lawfully lease the Prior Project from the Corporation for an initial one-year or shorter period at a rental which will not cause the Metro Government to exceed the income and revenues of the Metro Government provided for the current fiscal year and may renew such lease annually until retirement of the 2007 Series A Bonds; and

WHEREAS, the Metro Government desires and directs the Corporation to authorize the issuance of and offer at public, competitive sale the 2007 Series A Bonds, and has approved said Lease Agreement and other related documents, and documents incident to the security and sale of the 2007 Series A Bonds, so that the refunding of the Prior Bonds may be completed and funding of additional court and justice facilities may be achieved and it is now appropriate for the Corporation to carry out all necessary actions in such respect.

BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/ JEFFERSON COUNTY METRO GOVERNMENT (THE "COUNCIL") AS FOLLOWS:

Section 1. For the purposes set forth in the preamble, there are hereby authorized and directed the following:

(A) The incorporation by reference of the preambles of this Ordinance as integral parts of this Ordinance, to the same extent as if repeated herein verbatim, it being declared that the statements of fact set forth in such preambles are true and accurate in all respects.

(B) The authorization, execution, sale, delivery and issuance of not to exceed \$66,000,000 (subject to plus or minus a 10% adjustment as to principal amount upon sale thereof) principal amount of "Jefferson County, Kentucky Capital Projects Corporation Lease Revenue Refunding Bonds, 2007 Series A (the "2007 Series A Bonds"), bearing interest and maturing as provided in the Indenture and being in the forms and being subject to all the terms and specifications set forth in the Indenture, hereinafter defined.

Section 2. The Corporation, heretofore created as an agency, instrumentality and constituted authority of the Metro Government, is hereby ordered and directed by the Metro Government to adopt such proceedings as may be necessary for the formal authorization, sale and issuance by the Corporation of the 2007 Series A Bonds. The maturity schedule, security provisions, redemption provisions, designation of Trustee, form of 2007 Series A Bonds, conditions of sale and other terms and provisions incident to the 2007 Series A Bonds shall be in accordance with the provisions of the Resolution of the Board of Directors of the Corporation authorizing the 2007 Series A Bonds and subsequent resolutions and proceedings relating to the sale of the 2007 Series A Bonds, and in the Indenture of Trust and Mortgage and the Official Statement hereinafter referred to and described, and such other provisions as may be adopted by the Corporation. The Corporation is hereby authorized and empowered to adjust the principal amount of the 2007 Series A Bonds upon the occasion of the public, competitive sale thereof to reflect current market conditions and to secure the most advantageous results. The 2007 Series A Bonds shall be issued pursuant to authority of Chapters 58 and 67C of the Kentucky Revised Statutes, as amended to date hereof, and other provisions of Kentucky law. The 2007 Series A Bonds and their sale and issuance are hereby approved in all respect by the Metro Government and will require no further official approvals or acts of the Metro Government, provided, however, that the net interest rate on the 2007 Series A Bonds shall not exceed 7% per annum and the 2007 Series A Bonds shall mature over a period not to exceed 30 years from date of issuance.

Section 3. It is acknowledged that the 2007 Series A Bonds are to issued by the Corporation, acting as the agency, instrumentality and constituted authority of and on behalf of the Metro Government, for the purpose of providing refinancing of the costs of acquisition, construction, reconstruction and installation of the Prior Project, and related costs, all as described and provided for herein, in the Lease Agreement and the Mortgage and Trust Indenture hereinafter referred to and described.

Section 4. The execution, delivery and performance of the Lease Agreement, dated as of February 1, 2007 (the "Lease Agreement") between the Metro Government, as lessee, and the Corporation, as lessor, conforming to the plan for funding the Refunding Project, is approved by the Metro Government and the Corporation is hereby approved in substantially the form attached hereto as Exhibit "A", subject to completion with final terms of the 2007 Series A Bonds incorporated therein, to reflect the final terms of the 2007 Series A Bonds, including bond insurance provisions, if bond insurance is secured, and with such insubstantial changes, insertions or omissions as may be approved by the Mayor of the Metro Government and approved by the Jefferson County Attorney.

Section 5. In order to secure the payment of the principal of and interest on the 2007 Series A Bonds herein authorized, and in order to secure the performance and observance of all the agreements and conditions in the 2007 Series A Bonds, the execution, delivery and performance of the Mortgage and Trust Indenture dated as of February 1, 2007 (the "Indenture") between the Corporation and the Trustee,

be and the same is hereby authorized. The Indenture will be in substantially the form attached hereto as Exhibit "B", subject to completion with final terms of the 2007 Series A Bonds, including bond insurance terms, if applicable, incorporated therein, to reflect the final terms of the 2007 Series A Bonds such and with such insubstantial changes, insertions or omissions as may be approved by the Mayor of the Metro Government and approved by the Jefferson County Attorney.

Section 6. The Corporation has, in connection with the issuance and sale of the 2007 Series A Bonds, caused to be prepared a draft of the Preliminary Official Statement in respect of the 2007 Series A Bonds (the "Official Statement") attached hereto as Exhibit "C". The Official Statement and the use thereof by the Corporation in offering and selling the 2007 Series A Bonds at public, competitive sale is hereby ordered and approved. The execution and delivery of the Official Statement by the Mayor of the Metro Government at the time of the sale of the 2007 Series A Bonds will be conclusive evidence of any such approval. The Preliminary Official Statement shall be completed following sale of the 2007 Series A Bonds to reflect the final terms of sale and provisions of the 2007 Series A Bonds, including bond insurance provisions, if bond insurance is secured, and the Mayor is authorized to approve and sign such Official Statement on behalf of the Metro Government.

Section 7. In connection with the undertaking and implementation by the Corporation of the Refunding Project, as herein authorized and described, the Corporation, its Board of Directors and officers and appropriate official for the Metro Government, and their counsel, are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents, agreements, certificates and papers as may be necessary to carry out and comply with the provisions of the agreements and documents approved by this Ordinance and are further authorized to take any and all further related and necessary actions and execute and deliver any and all other related and necessary documents as may be necessary in the issuance of the 2007 Series A Bonds.

Section 8. For the purpose of complying with applicable law, including Rule 15c2-12, promulgated by the U.S. Securities and Exchange Commission, the Metro Government and the Corporation shall enter into the Continuing Disclosure Agreement with the Trustee in substantially the form attached hereto as Exhibit D. The Continuing Disclosure Agreement shall be executed and delivered by the Mayor of the Metro Government and by the President of the Corporation with such changes, insertions and omissions as may be approved by them or any of them, such execution being conclusive evidence of such approval.

Section 9. If any one or more of the agreements or provisions herein contained are held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever are held invalid, then such covenants, agreements or provisions will be null and void and will be deemed separate from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the 2007 Series A Bonds authorized hereunder.

Section 10. All ordinances, resolutions, orders or parts thereof of the Metro Government in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 11. This Ordinance shall be in full force and effect upon its adoption and as provided by law.

This Ordinance was given first reading at a duly convened meeting of the Legislative Council of the Metro Government held on _____, 2007, and given second reading and adopted at a duly convened meeting of the Legislative Council of the Metro Government held on _____, 2007.

Kathleen J. Herron
Metro Council Clerk

Rick Blackwell
President of the Council

Jerry E. Abramson
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Irv Maze
Jefferson County Attorney

By _____
James T. Carey
Assistant County Attorney

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Metro Council Clerk of the Louisville/Jefferson County Metro Government (the "Metro Government"), and as such Clerk, I further certify that the foregoing is a true, correct and complete copy of an Ordinance duly adopted by the Legislative Council of the Metro Government upon second reading at a duly convened meeting held on _____, 2007, signed by the Mayor, approved by me as Clerk and in full force and effect as therein stated, all as shown by the official records of the Metro Government in my possession and under my control.

IN WITNESS WHEREOF, I have hereunto set my hand this _____, 2007.

Kathleen J. Herron
Metro Council Clerk